



CHAIRMAN'S UPDATE – WEEK COMMENCING SAT 9th SEPTEMBER 2023

It's been nearly a month since I did an update and I must apologise for this, but what with Flying Scotsman and a whole host of other meetings and the fact that my day job has been so busy I'm afraid I simply ran out of time. In the last two weeks as well as all of the above, I have attended two weddings an event in the House of Lords and - the most important of all - Mike Hawkins' 50th birthday party, which was great (and, unexpectedly, I got to see my old friend Phil Smith who I worked on SP platform with when we were both teenagers).

So, things to update you:

Firstly, we have appointed Tim Gray as Locomotive Engineering Director... welcome aboard Tim.

Secondly, we have agreed with the Atlantic Group that when *Beachy Head* moves into the main works early next year they will take on the projects of Normandy and the Adams radial tank; this is very exciting (especially Normandy is such a versatile and powerful loco, ideal for shunting... and I am a shunter!).

Third, we have filed the PLC accounts, posting a loss of just short of £400k. In reality, the loss was somewhat higher but we received grant income with which we were able to offset the loss. The true trading loss was around £1.3m, which would be unsustainable for us. So, in the last 8 months, the Board and myself along with our senior managers have been frantically working to reduce costs, whilst also, and most importantly, finding ways to increase revenue, which is why we have done lots of family-based events. This is really paying off and, as things currently stand, if we continue current trends to the end of the year, our trading loss will be under £200k. That is an enormous achievement and, whilst everyone has pulled together to achieve this, I would like to say a special thankyou to the commercial team, the shop team and the catering team who have all stepped up to improve margins, to reduce costs and to get people in for events. I must say a particular thank you to Lisa Boyle and Neil Glaskin: their constant and tireless dedication and 'push' to increase revenues and deliver all these events has been amazing; Neil only wanted to be the Operations Director but has taken on Catering, Retail and Commercial and working with those teams has led a massive turnaround.

We have also sold *Aquilla* and two Mk1's which both needed work and were surplus to our needs. The cash from those disposals is very helpful, plus they have gone to new homes where they will be cherished.

Sir Archibald Sinclair is almost back together, and will hopefully be in traffic by Christmas which will obviously be brilliant. Well done to everyone working on the project.

Saturday

It was a lovely day and the railway seemed to be nice and busy - we have had a good summer so far. There were lots of families around and everything seemed to operate well.



Sunday

Another busy day and the weather was OK, with the railway busy.

I met with Steve Trigg, our Finance Director, to sign off the PLC accounts so they could be signed by the auditors and then be submitted to Companies House. Luckily, Steve also lives in Reigate so we met in my pub, did the paperwork then had a celebratory beer as it has been quite a task getting all this done.

Monday

The railway is back to only running Wednesday to Sunday now as there is not enough demand to justify running Mondays and Tuesdays. It also gives the Infrastructure teams some days with good light and weather to deal with various important maintenance tasks.

Tuesday

Around the railway people are hard at work restoring, repairing and maintaining. I've said it before but I cannot say it enough - the work that's done by these unseen and often unsung heroes across all departments is incredible.

Wednesday

Trains are running today – just two departures but they were well-filled, which shows that consolidating operating days into fewer days does work.

Thursday

Its Thursday again, and I was at Carriage and Wagon early to see the team for the weekly meeting and also to talk to the team in the workshops. So much is happening, and at pace now, it is truly amazing. Car 54 is nearly fully painted; the 'Bicester' Mark 1 has been dropped onto its bogies ready for alignment. This carriage will go into the paint shop in early October so as to be ready to come into traffic for Santas.

Work on the Maunsell Hastings brake is also continuing at pace, and we hope to see this in traffic early next year.

The team we have set up for bogie overhaul beside E road is also really getting stuck-in now, with great results. They are preparing the bogies for the Hastings brake, supporting the group working on that carriage; they are also starting on Car 64's new bogies, plus the bogies that will eventually go under the Bicester Mk 1.

Then it was off to Sheffield Park where I was to meet with Greene King to work out a deal with them to become our drinks supplier. As part of this arrangement they will invest in refurbishing the bar in



the Bessemer. There is more to come on this subject, but it is a very exciting opportunity, working with one of the country's largest brewers and pub operators.

Then it was time for a catch up with Lisa, followed by Tim Gray's interview for the role of Loco Engineering Director.

At 5.30pm I met with the team that runs the 9F Club. We must focus and support this group, so we can ensure we bring the younger people through as they are our future. I have agreed that I will attend 9F club meetings once a month, talking to the kids in their morning briefing. If for any reason I can't attend, then a Trustee or Director will substitute for me. We must focus on this.

Although all was finished by 6.45, my day was not yet over. I had got Mrs C down, as she is going to lead the redesign of the Bessemer Arms. She is about to complete a £1.2m refit of a banqueting and restaurant site near Heathrow as the Project Manager, so is well-qualified. She was also more than happy to volunteer to do this Bluebell project. Neil Glaskin, Megan Laughlin, Mrs C and myself had a meeting to kick-off the planning process.

On the operating front, it was a busy day with a wedding charter who, after eating on the Golden Arrow, had a drinks reception in the Bessemer.

No time for me to eat any pie today as I just didn't stop! I will be around on Saturday, and I have already enquired... it's chicken and bacon, so I will definitely have some of that!

Friday

Another busy day for passengers; quite a few coach parties too - so all good for our revenue.

Everything was running OK and the weather is still holding up too!

And finally...

I have probably overloaded everyone with this update, and I am sure there are things I have forgotten. I will no doubt add those in future weeks, as I remember them all.

Next weekend is the beer festival, and we still need helpers, so please contact me or Lisa if you can assist. I am working behind the bar with Mrs C on Friday afternoon/evening and I am late turn Duty Operating Manager Saturday, so hopefully will get to see as many of you attending as possible.

Paul Churchman

Chairman

17th September 2023